

2020 -- S 2170

LC003769

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO FINANCIAL INSTITUTIONS -- SMALL LOAN LENDERS

Introduced By: Senators Metts, Quezada, Crowley, Cano, and Lombardi

Date Introduced: February 04, 2020

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 19-14-1 of the General Laws in Chapter 19-14 entitled "Licensed
2 Activities" is hereby amended to read as follows:

3 **19-14-1. Definitions. [Effective January 1, 2020.]**

4 Unless otherwise specified, the following terms shall have the following meanings
5 throughout chapters 14, 14.1, 14.2, 14.3, 14.4, 14.6, 14.8, 14.10, and 14.11 of this title:

6 (1) "Bona fide employee" shall mean an employee of a licensee who works under the
7 oversight and supervision of the licensee.

8 (2) "Check" means any check, draft, money order, personal money order, or other
9 instrument for the transmission or payment of money. For the purposes of check cashing,
10 travelers checks or foreign denomination instruments shall not be considered checks. "Check
11 cashing" means providing currency for checks.

12 (3) "Check casher" means a person or entity who or that, for compensation, engages, in
13 whole or in part, in the business of cashing checks.

14 (4) "Currency transmission" means engaging in the business of any of the following:

15 (i) Sale or issuance of payment instruments or stored value primarily for personal, family,
16 or household purposes; or

17 (ii) Receiving money or monetary value for transmission or holding funds incidental to
18 transmission within the United States or to locations abroad by any and all means, including
19 payment instrument, stored value, wire, facsimile, or electronic transfer, primarily for personal,

1 family, or household purposes. This includes maintaining control of virtual currency or
2 transactions in virtual currency on behalf of others.

3 ~~(5) "Deferred deposit transaction" means any transaction, such as those commonly
4 known as "payday loans," "payday advances," or "deferred presentment loans," in which a cash
5 advance is made to a customer in exchange for the customer's personal check or in exchange for
6 the customer's authorization to debit the customer's deposit account and where the parties agree
7 either that the check will not be cashed or deposited, or that the customer's deposit account will
8 not be debited until a designated future date.~~

9 (6) [Deleted by P.L. 2019, ch. 226, § 1 and P.L. 2019, ch. 246, § 1].

10 (7) "Deliver" means to deliver a check to the first person who, in payment for the check,
11 makes, or purports to make, a remittance of, or against, the face amount of the check, whether or
12 not the deliverer also charges a fee in addition to the face amount and whether or not the deliverer
13 signs the check.

14 (8) "Insurance premium finance agreement" means an agreement by which an insured, or
15 prospective insured, promises to pay to an insurance premium finance company the amount
16 advanced, or to be advanced, under the agreement to an insurer or to an insurance producer, in
17 payment of a premium, or premiums, on an insurance contract, or contracts, together with interest
18 and a service charge, as authorized and limited by this title.

19 (9) "Insurance premium finance company" means a person or entity engaged in the
20 business of making insurance premium finance agreements or acquiring insurance premium
21 finance agreements from other insurance premium finance companies.

22 (10)(i) "Lender" means any person who makes or funds a loan within this state with the
23 person's own funds, regardless of whether the person is the nominal mortgagee or creditor on the
24 instrument evidencing the loan;

25 (ii) A loan is made or funded within this state if any of the following conditions exist:

26 (A) The loan is secured by real property located in this state;

27 (B) An application for a loan is taken by an employee, agent, or representative of the
28 lender within this state;

29 (C) The loan closes within this state;

30 (D) The loan solicitation is done by an individual with a physical presence in this state; or

31 (E) The lender maintains an office in this state.

32 (iii) The term "lender" shall also include any person engaged in a transaction whereby the
33 person makes or funds a loan within this state using the proceeds of an advance under a line of
34 credit over which proceeds the person has dominion and control and for the repayment of which

1 the person is unconditionally liable. This transaction is not a table-funding transaction. A person
2 is deemed to have dominion and control over the proceeds of an advance under a line of credit
3 used to fund a loan regardless of whether:

4 (A) The person may, contemporaneously with, or shortly following, the funding of the
5 loan, assign or deliver to the line of credit lender one or more loans funded by the proceeds of an
6 advance to the person under the line of credit;

7 (B) The proceeds of an advance are delivered directly to the settlement agent by the line-
8 of-credit lender, unless the settlement agent is the agent of the line-of-credit lender;

9 (C) One or more loans funded by the proceeds of an advance under the line of credit is
10 purchased by the line-of-credit lender; or

11 (D) Under the circumstances, as set forth in regulations adopted by the director, or the
12 director's designee, pursuant to this chapter.

13 (11) "Licensee" means any person licensed under this chapter.

14 (12) "Loan" means any advance of money or credit including, but not limited to:

15 (i) Loans secured by mortgages;

16 (ii) Insurance premium finance agreements;

17 (iii) The purchase or acquisition of retail installment contracts or advances to the holders
18 of those contracts;

19 (iv) Educational loans;

20 (v) Any other advance of money; or

21 (vi) ~~Any transaction, such as those commonly known as "payday loans," "payday~~
22 ~~advances," or "deferred presentment loans," in which a cash advance is made to a customer in~~
23 ~~exchange for the customer's personal check, or in exchange for the customer's authorization to~~
24 ~~debit the customer's deposit account, and where the parties agree either, that the check will not be~~
25 ~~cashed or deposited, or that customer's deposit account will not be debited, until a designated~~
26 ~~future date.~~

27 (13) "Loan broker" means any person or entity who or that, for compensation or gain, or
28 in the expectation of compensation or gain, either directly or indirectly, solicits, processes,
29 negotiates, places, or sells a loan within this state for others in the primary market, or offers to do
30 so. A loan broker shall also mean any person who is the nominal mortgagee or creditor in a table-
31 funding transaction. A loan is brokered within this state if any of the following conditions exist:

32 (i) The loan is secured by real property located in this state;

33 (ii) An application for a loan is taken or received by an employee, agent, or representative
34 of the loan broker within this state;

- 1 (iii) The loan closes within this state;
- 2 (iv) The loan solicitation is done by an individual with a physical presence in this state; or
- 3 (v) The loan broker maintains an office in this state.

4 (14) "Loan-closing services" means providing title services, including title searches, title
5 examinations, abstract preparation, insurability determinations, and the issuance of title
6 commitments and title insurance policies, conducting loan closings, and preparation of loan-
7 closing documents when performed by, or under the supervision of, a licensed attorney, licensed
8 title agency, or licensed title insurance company.

9 (15) "Loan solicitation" shall mean an effectuation, procurement, delivery and offer, and
10 advertisement of a loan. Loan solicitation also includes providing or accepting loan applications
11 and assisting persons in completing loan applications and/or advising, conferring, or informing
12 anyone regarding the benefits, terms and/or conditions of a loan product or service. Loan
13 solicitation does not include loan processing or loan underwriting as defined in this section. Loan
14 solicitation does not include telemarketing that is defined, for purposes of this section, to mean
15 contacting a person by telephone with the intention of collecting such person's name, address, and
16 telephone number for the sole purpose of allowing a mortgage loan originator to fulfill a loan
17 inquiry.

18 (16) "Loan underwriting" shall mean a loan process that involves the analysis of risk with
19 respect to the decision whether to make a loan to a loan applicant based on credit, employment,
20 assets, and other factors, including evaluating a loan applicant against a lender's various lending
21 criteria for creditworthiness, making a determination for the lender as to whether the applicant
22 meets the lender's pre-established credit standards, and/or making a recommendation regarding
23 loan approval.

24 (17) "Monetary value" means a medium of exchange, whether or not redeemable in fiat
25 currency.

26 (18) "Mortgage loan" means a loan secured in whole, or in part, by real property located
27 in this state.

28 (19) "Mortgage loan originator" has the same meaning set forth in § 19-14.10-3(6).

29 (20) "Nationwide Multistate Licensing System" means a system involving more than one
30 state, the District of Columbia, or the Commonwealth of Puerto Rico and that is established to
31 facilitate the sharing of regulatory information and the licensing, application, reporting, and
32 payment processes, by electronic or other means, for mortgage lenders and loan brokers and other
33 licensees required to be licensed under this chapter.

34 (21) "Natural person employee" shall mean any natural person performing services as a

1 bona fide employee for a person or entity licensed under § 19-14-1 et seq., in return for a salary,
2 wage, or other consideration, where such salary, wage, or consideration is reported by the
3 licensee on a federal form W-2 payroll record. The term does not include any natural person or
4 business entity performing services for a person licensed under the provisions of Rhode Island
5 general laws in return for a salary, wage, or other consideration, where such salary, wage, or
6 consideration is reported by the licensee on a federal form 1099.

7 (22) "Negative equity" means the difference between the value of an asset and the
8 outstanding portion of the loan taken out to pay for the asset, when the latter exceeds the former
9 amount.

10 (23) "Negotiates" shall mean, with respect to a loan, to confer directly with, or offer
11 advice directly to, a loan applicant or prospective loan applicant for a loan product or service
12 concerning any of the substantive benefits, terms, or conditions of the loan product or service.

13 (24) "Nonprofit organization" means a corporation qualifying as a 26 U.S.C. § 501(c)(3)
14 nonprofit organization, in the operation of which no member, director, officer, partner, employee,
15 agent, or other affiliated person profits financially other than receiving reasonable salaries if
16 applicable.

17 (25) "Operating subsidiary" shall mean a majority-owned subsidiary of a financial
18 institution or banking institution that engages only in activities permitted by the parent financial
19 institution or banking institution.

20 (26) "Oversight and supervision of the licensee" shall mean that the licensee provides
21 training to the employee, sets the employee's hours of work, and provides the employee with the
22 equipment and physical premises required to perform the employee's duties.

23 (27) "Personal money order" means any instrument for the transmission or payment of
24 money in relation to which the purchaser or remitter appoints, or purports to appoint, the seller as
25 his or her agent for the receipt, transmission, or handling of money, whether the instrument is
26 signed by the seller, or by the purchaser, or remitter, or some other person.

27 (28) "Primary market" means the market in which loans are made to borrowers by
28 lenders, whether or not through a loan broker or other conduit.

29 (29) "Principal owner" means any person or entity who or that owns, controls, votes, or
30 has a beneficial interest in, directly or indirectly, ten percent (10%) or more of the outstanding
31 capital stock and/or equity interest of a licensee.

32 (30) "Processes" shall mean, with respect to a loan, any of a series of acts or functions,
33 including the preparation of a loan application and supporting documents, performed by a person
34 that leads to, or results in, the acceptance, approval, denial, and/or withdrawal of a loan

1 application, including, without limitation, the rendering of services, including loan underwriting,
2 obtaining verifications, credit reports or appraisals, communicating with the applicant and/or the
3 lender or loan broker, and/or other loan processing and origination services, for consideration by
4 a lender or loan broker. Loan processing does not include the following:

5 (i) Providing loan closing services;

6 (ii) Rendering of credit reports by an authorized credit reporting agency; and

7 (iii) Rendering of appraisal services.

8 (31) "Provisional employee" means a natural person who, pursuant to a written
9 agreement between the natural person and a wholly owned subsidiary of a financial holding
10 company, as defined in the Bank Holding Company Act of 1956 (12 U.S.C. § 1841 et seq.), as
11 amended, a bank-holding company, savings-bank-holding company, or thrift-holding company, is
12 an exclusive agent for the subsidiary with respect to mortgage loan originations and the
13 subsidiary: (a) Holds a valid loan broker's license; and (b) Enters into a written agreement with
14 the director, or the director's designee, to include:

15 (i) An "undertaking of accountability," in a form prescribed by the director, or the
16 director's designee, for all of the subsidiary's exclusive agents to include full-and-direct financial
17 and regulatory responsibility for the mortgage loan originator activities of each exclusive agent as
18 if said exclusive agent were an employee of the subsidiary;

19 (ii) A business plan, to be approved by the director, or the director's designee, for the
20 education of the exclusive agents, the handling of consumer complaints related to the exclusive
21 agents, and the supervision of the mortgage loan origination activities of the exclusive agents; and

22 (iii) A restriction of the exclusive agents' mortgage loan originators' activities to loans to
23 be made only by the subsidiary's affiliated bank.

24 (32) "Sell" means to sell, to issue, or to deliver a check.

25 (33) "Servicing" means receiving a scheduled, periodic payment from a borrower,
26 pursuant to the terms of a loan, including amounts for escrow accounts, and making the payments
27 to the owner of the loan or other third party of principal and interest and other payments with
28 respect to the amounts received from the borrower as may be required pursuant to the terms of the
29 servicing loan documents or servicing contract. In the case of a home equity conversion mortgage
30 or a reverse mortgage, servicing includes making payment to the borrower.

31 (34) "Simple interest" means interest computed on the principal balance outstanding
32 immediately prior to a payment for one plus the actual number of days between payments made
33 on a loan over the life of a loan.

34 (35) "Small loan" means a loan of less than five thousand dollars (\$5,000), not secured by

1 real estate, made pursuant to the provisions of chapter 14.2 of this title.

2 (36) "Small-loan lender" means a lender engaged in the business of making small loans
3 within this state.

4 (37) "Stored value" means monetary value representing a claim against the issuer that is
5 stored on an electronic or digital medium and is evidenced by an electronic or digital record, and
6 that is intended and accepted for use as a means of redemption for money or monetary value or
7 payment for goods or services. The term does not include stored value that is redeemable by the
8 issuer exclusively in goods or services; stored value that is redeemable exclusively in goods or
9 services limited to transactions involving a defined merchant or location or set of locations, such
10 as a specific retailer or retail chain, college campus, or program points, miles, or other units
11 issued in connection with a customer affinity or rewards program, even if there is a secondary
12 market for the stored value.

13 (38) "Table-funding transaction" means a transaction in which there is a
14 contemporaneous advance of funds by a lender and an assignment by the mortgagee or creditor of
15 the loan to the lender.

16 (39) "Third-party loan servicer" means a person or entity who or that, directly or
17 indirectly, engages in the business of servicing a loan secured by residential real estate located in
18 Rhode Island, for a personal, family, or household purpose, owed or due, or asserted to be owed
19 or due, another, or a person or entity that owns the servicing rights to a loan secured by residential
20 real estate located in Rhode Island whether or not that owner services the loan themselves or
21 contracts with another person or entity for the servicing.

22 (40) "Virtual currency":

23 (i) Means a digital representation of value that:

24 (A) Is used as a medium of exchange, unit of account, or store of value; and

25 (B) Is not legal tender, whether or not denominated in legal tender; and

26 (ii) Does not include:

27 (A) A transaction in which a merchant grants, as part of an affinity or rewards program,
28 value that cannot be taken from or exchanged with the merchant for legal tender, bank credit, or
29 virtual currency;

30 (B) A digital representation of value issued by or on behalf of a publisher and used solely
31 within an online game, game platform, or family of games sold by the same publisher or offered
32 on the same game platform;

33 (C) Native digital token used in a proprietary blockchain service platform; or

34 (D) A gift certificate; store gift card; general-use prepaid card; or loyalty, award, or

1 promotional gift card, as these terms are defined in federal Regulation E, 12 C.F.R. 1005.20(a),
2 without giving effect to any exception as specified in 31 C.F.R. 1010.100(kkk) or any card, code
3 or device, or other device that can add funds to those products.

4 (41) "Writing" means hard-copy writing or electronic writing that meets the requirements
5 of § 42-127.1-2(7).

6 SECTION 2. Section 19-14.1-10 of the General Laws in Chapter 19-14.1 entitled
7 "Lenders and Loan Brokers" is hereby amended to read as follows:

8 **19-14.1-10. Special exemptions.**

9 (a) The licensing provisions of chapter 14 of this title shall not apply to:

10 (1) Nonprofit charitable, educational, or religious corporations or associations;

11 (2) Any person who makes less than six (6) loans in this state in any consecutive twelve-
12 month (12) period; there is no similar exemption from licensing for loan brokers for brokering
13 loans or acting as a loan broker;

14 (3) Any person acting as an agent for a licensee for the purpose of conducting closings at
15 a location other than that stipulated in the license;

16 (4) Regulated institutions and banks or credit unions organized under the laws of the
17 United States, or subject to written notice with a designated Rhode Island agent for service of
18 process in the form prescribed by the director, or the director's designee, of any other state within
19 the United States if the laws of the other state in which such bank or credit union is organized
20 authorizes under conditions not substantially more restrictive than those imposed by the laws of
21 this state, as determined by the director, or the director's designee, a financial institution or credit
22 union to engage in the business of originating or brokering loans in the other state; no bank or
23 credit union duly organized under the laws of any other state within the United States may receive
24 deposits, pay checks, or lend money from any location within this state unless such bank or credit
25 union has received approval from the director, or the director's designee, for the establishment of
26 an interstate branch office pursuant to chapter 7 of title 19;

27 (5) Any natural person employee who is employed by a licensee when acting on the
28 licensee's behalf; provided that this exemption shall not apply to a mortgage loan originator
29 required to be licensed under § 19-14-2 or § 19-14.10-4; or

30 (6) A licensed attorney when performing loan closing services for a licensee or for an
31 entity identified in subdivision (4) above.

32 (b) The provisions of this chapter and chapter 14 of this title shall not apply to:

33 (1) Loans to corporations, joint ventures, partnerships, limited liability companies or
34 other business entities;

1 (2) Loans over twenty-five thousand dollars (\$25,000) in amount to individuals for
2 business or commercial, as opposed to personal, family or household purposes;

3 (3) Loans principally secured by accounts receivable and/or business inventory;

4 (4) Loans made by a life insurance company wholly secured by the cash surrender value
5 of a life insurance policy;

6 (5) Education-purpose loans made by the Rhode Island health and educational building
7 corporation as vested in chapter 38.1 of title 45 of the Rhode Island student loan authority as
8 vested in chapter 62 of title 16;

9 (6) The acquisition of retail or loan installment contracts by an entity whose sole business
10 in this state is acquiring them from federal banks receivers or liquidators;

11 (7) Notes evidencing the indebtedness of a retail buyer to a retail seller of goods, services
12 or insurance for a part or all of the purchase price;

13 (8) Any municipal, state or federal agency that makes, brokers, or funds loans or acts as a
14 lender or a loan broker. This exemption includes exclusive agents or exclusive contractors of the
15 agency specifically designated by the agency to perform those functions on behalf of the agency
16 and which has notified the director, in writing, of the exclusive agency or contract; or

17 (9) Notes evidencing the indebtedness of a retail buyer to a retail motor vehicle dealer
18 that include as part of the amount financed, disclosed in accordance with 12 C.F.R. § 226.18 as
19 amended, an amount representing negative equity related to the motor vehicle being traded in as
20 part of the purchase price of the motor vehicle being purchased.

21 ~~(c) No license to make or fund loans, or to act as a lender or small loan lender shall be~~
22 ~~required of any person who engages in deferred deposit transactions (commonly known as "pay-~~
23 ~~day advance") while holding a valid license to cash checks pursuant to chapter 14 of this title.~~

24 SECTION 3. Section 19-14.2-1 of the General Laws in Chapter 19-14.2 entitled "Small
25 Loan Lenders" is hereby amended to read as follows:

26 **19-14.2-1. Maximum rate on small loans not authorized by chapter.**

27 (a) No person, except as authorized by this chapter, shall directly or indirectly charge,
28 contract for, or receive any interest, discount, or consideration greater than provided by this
29 chapter upon the loan, use, or sale of credit of the amount or value of five thousand dollars
30 (\$5,000) or less.

31 (b) The prohibition in subsection (a) shall apply to any person who, by any device,
32 subterfuge, or pretense shall charge, contract for, or receive greater interest, consideration, or
33 charges than is authorized by this chapter for the loan, use, or forbearance of money, goods, or
34 things in action, or for the loan, use, or sale of credit.

1 (c) No loan of the amount or value of five thousand dollars (\$5,000) or less for which a
2 greater rate of interest, consideration, or charges than is permitted by this chapter has been
3 charged, contracted for, or received, wherever made, shall be enforced in this state, and every
4 person in any way participating therein in this state shall be subject to the provisions of this
5 chapter, provided that this section shall not apply to loans legally made in any other state,
6 commonwealth, or district which then has in effect a regulatory small loan law similar in
7 principal to this chapter.

8 (d) No person may engage in any device, subterfuge, or pretense to evade the
9 requirements of this chapter, including making loans disguised as personal property sales and
10 leaseback transactions, or disguising loan proceeds as cash rebates for the pretextual installment
11 sale of goods or services, or assisting a debtor to obtain a loan with a greater rate of interest,
12 consideration, or charges than is permitted by this chapter through any method including mail,
13 telephone, Internet, or any electronic means regardless of whether the person has a physical
14 location in the state.

15 SECTION 4. Sections 19-14.4-4 and 19-14.4-5 of the General Laws in Chapter 19-14.4
16 entitled "Check Cashing" are hereby amended to read as follows:

17 **19-14.4-4. Fees for services.**

18 No licensee shall:

19 (1) Charge check-cashing fees in excess of three percent (3%) of the face amount of the
20 check, or five dollars (\$5.00), whichever is greater, if the check is the payment of any kind of
21 state public assistance or federal social security benefit;

22 (2) Charge check-cashing fees for personal checks in excess of ten percent (10%) of the
23 face amount of the personal check or five dollars (\$5.00), whichever is greater; or

24 (3) Charge check-cashing fees in excess of five percent (5%) of the face amount of the
25 check or five dollars (\$5.00), whichever is greater, for all other checks; ~~or.~~

26 ~~(4) Charge deferred deposit transaction fees in excess of ten percent (10%) of the amount~~
27 ~~of funds advanced.~~

28 **19-14.4-5. Posting of charges -- Endorsement -- Receipt.**

29 (a) In every location licensed pursuant to this chapter, there shall be at all times posted, in
30 a conspicuous place within the licensed premises, a complete and unambiguous schedule of all
31 fees for cashing checks, ~~deferred deposit transactions~~ expressed as ~~both~~ a dollar amount ~~and an~~
32 ~~annual percentage rate~~, and the initial issuance of any identification card.

33 (b) Before a licensee shall deposit, with any regulated institution or other insured-deposit-
34 taking institution organized under the laws of the United States, a check cashed by the licensee,

1 the check must be endorsed with the name under which the licensee is doing business and must
2 include the words "licensed check cashing services".

3 (c) The licensee shall provide a receipt for each transaction for the benefit of a customer.

4 (d) Each check casher shall also post a list of valid identification that is acceptable in lieu
5 of identification provided by the check casher. The information required by this section shall be
6 clear, legible, and in letters not less than one-half (1/2) inch in height. The information shall be
7 posted in a conspicuous location in the unobstructed view of the public within the check casher's
8 premises. Failure to post information as required by this section, or the imposition of fees or
9 identification requirements contrary to the information posted, shall constitute a deceptive trade
10 practice under chapter 13.1 of title 6.

11 SECTION 5. Section 19-14.4-5.1 of the General Laws in Chapter 19-14.4 entitled
12 "Check Cashing" is hereby repealed.

13 ~~**19-14.4-5.1. Customer checks — Deferred deposits.**~~

14 ~~(a) A check casher may defer the deposit of a personal check written by a customer for a~~
15 ~~term of no less than thirteen (13) days, pursuant to the provisions of this section. The face amount~~
16 ~~of the check shall not exceed five hundred dollars (\$500).~~

17 ~~(b) Each deferred deposit shall be made pursuant to a written agreement that has been~~
18 ~~signed by the customer and by the check casher or an authorized representative of the check~~
19 ~~casher. The written agreement shall contain a statement of the total amount of any fees charged~~
20 ~~for the deferred deposit, expressed both in United States currency and as an annual percentage~~
21 ~~rate (APR), as required by federal regulations. The written agreement shall authorize the check~~
22 ~~casher to defer deposit of the personal check until a specific date no less than thirteen (13) days~~
23 ~~from the date the written agreement was signed and executed. The written agreement shall not~~
24 ~~permit the check casher to accept collateral.~~

25 ~~(c) A rollover is an extension or deferral of the payment due date of a deferred deposit~~
26 ~~transaction for the payment of only an additional fee.~~

27 ~~(d) The maximum amount of a single customer's check is five hundred dollars (\$500).~~

28 ~~(e) The maximum aggregate amount of concurrently outstanding checks held by the~~
29 ~~licensee or its affiliate from the same customer is five hundred dollars (\$500).~~

30 ~~(f) The maximum number of concurrently outstanding checks held by the licensee or its~~
31 ~~affiliates from the same customer is three (3).~~

32 ~~(g) The maximum number of rollovers permitted is one.~~

33 ~~(h) The check casher shall give a duplicate original of the agreement to the customer at~~
34 ~~the time of the transaction.~~

1 SECTION 6. This act shall take effect upon passage.

=====
LC003769
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO FINANCIAL INSTITUTIONS -- SMALL LOAN LENDERS

1 This act would repeal the provisions of the general laws allowing deferred deposit
2 providers, also known as "payday lenders."

3 This act would take effect upon passage.

=====
LC003769
=====